

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA Liquidation

(Substantively Consolidated)

IRVING H. PICARD, Trustee for the
Liquidation of Bernard L. Madoff Investment
Securities, LLC,

Plaintiff,

v.

TIMOTHY SHAWN TEUFEL AND
VALERIE ANN TEUFEL FAMILY TRUST
U/T/D 5/24/95; TIMOTHY SHAWN
TEUFEL, individually and in his capacity as
Trustee for the Timothy Shawn Teufel and
Valerie Ann Teufel Family Trust U/T/D
5/24/95; and VALERIE ANN TEUFEL,
individually and in her capacity as Trustee for
the Timothy Shawn Teufel and Valerie Ann
Teufel Family Trust U/T/D 5/24/95,

Defendants.

Adv. Pro. No. 10-04668 (SMB)

**STIPULATION AND ORDER
DISMISSING ADVERSARY PROCEEDING WITHOUT PREJUDICE**

WHEREAS, on December 1, 2010, Irving H. Picard, as trustee (“Trustee”) for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa *et seq.* and the substantively consolidated estate of Bernard L. Madoff, commenced the above-captioned adversary proceeding

(the “Adversary Proceeding”) against Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95 (“Trust”), Timothy Shawn Teufel, individually and in his capacity as Trustee for the Trust, and Valerie Ann Teufel, individually and in her capacity as Trustee for the Trust (the “Defendants”) in the United States Bankruptcy Court for the Southern District of New York; and

WHEREAS, Defendants submitted to the Trustee a hardship application (the “Hardship Application”) requesting that the Trustee agree to dismiss the Adversary Proceeding. In support of the Hardship Application, Defendants submitted to the Trustee financial statements and other information, all under penalty of perjury; and

WHEREAS, in reliance on the representations made by Defendants in the Hardship Application and other representations and/or materials submitted by Defendants in support of the Hardship Application, the Trustee in the exercise of his due and deliberate discretion has determined to dismiss the Adversary Proceeding without prejudice;

IT IS HEREBY agreed and stipulated between the Trustee and Defendants as follows:

1. Defendants hereby affirm (i) that all representations made by Defendants and all materials provided by Defendants have been submitted by Defendants as true and correct under penalty of perjury and (ii) that the Trustee has relied upon these materials in exercising his discretion to dismiss the Adversary Proceeding without prejudice.

2. Defendants hereby agree that to the extent it is subsequently determined that Defendants deliberately or intentionally submitted materially false and/or misleading representations, statements and/or materials in connection with the Hardship Application, the Defendants hereby agree (i) that the Trustee shall have the right to reinstitute the Adversary Proceeding against Defendants and/or pursue other remedies available to him and (ii) that

Defendants agree that this Stipulation and Order shall act to toll any applicable statutes of limitation with respect to the Trustee's commencement of any such claims and notwithstanding section 546(a) of the Bankruptcy Code, Defendants hereby agree to waive any statute of limitations defense in any such actions or claims commenced by Trustee.

3. Pursuant to Fed. R. Civ. P. 41(a), made applicable by Fed. R. Bankr. P. 7041(a), the Trustee and Defendants hereby agree that upon approval of this Stipulation and Order by the Bankruptcy Court, except as set forth in paragraph 2 hereof, Trustee's claims against Defendants are dismissed without prejudice.

4. Defendants represent that they have reviewed and discussed this Stipulation and Order with counsel.

5. This Agreement may be signed by the parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this stipulation shall be deemed an original.

6. This Stipulation and Order is subject to the approval of the Bankruptcy Court, failing which the provisions of the Stipulation and Order shall be void and of no effect.

Date: May 19, 2017

<p>By: <u>/s/ Nicholas J. Cremona</u> David J. Sheehan Nicholas J. Cremona BAKER & HOSTETLER LLP 45 Rockefeller Plaza New York, New York Telephone: (212) 589-4200 Fax: (212) 589-4201</p> <p><i>Attorneys for Irving H. Picard, Trustee for the Substantively Consolidated SIPA Liquidation of Bernard L. Madoff Investment Securities LLC and the Estate of Bernard L. Madoff</i></p>	<p><u>/s/ Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95</u> Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95</p> <p><u>/s/ Timothy Shawn Teufel</u> Timothy Shawn Teufel, Trustee of the Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95</p> <p><u>/s/ Valerie Ann Teufel</u> Valerie Ann Teufel, Trustee of the Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95</p> <p>By: <u>/s/ Tammy P. Bieber</u> Tammy P. Bieber Maranda E. Fritz Thompson Hine LLP 335 Madison Avenue, 12th Floor New York, New York 10017 Telephone: (212) 908-3910 Fax: (212) 344-6101</p> <p><i>Attorneys for Timothy Shawn Teufel and Valerie Ann Teufel Family Trust U/T/D 5/24/95, Timothy Shawn Teufel and Valerie Ann Teufel</i></p>
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SO ORDERED:

By: /s/ STUART M. BERNSTEIN Date: May 19th, 2017
HON. STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE